From: Krishna Nand <Krishna.Nand@parsons.com>
To: Krishna Nand <Krishna.Nand@parsons.com>, Paul Tranquill <Paul.Tranquill@parsons.com>, <Rand-C@ipsc.com>
Date: Thursday, April 26, 2001 5:36:08 PM

Dear Rand,

We need some clarifications on the following pertaining to the BACT analysis for the IPP.

1. The Production Summary in the Notice of Intent dated April 4, 2001 indicates that, for each unit, the coal usage will increase annually from 5. 3 to 5.6 million tons - a rise of 5.7%; it also states that the heat input will increase from 8352 to 9225 mmBTU/hr - a rise of 10.45%. The discrepancy could be due to many reasons including (a) change in the type of coals to be used; (b) changes in air combustion air temperature; (c) changes in overall plant productivity such that while the maximum hourly coal usage may increase corresponding to the rise in heat input, the annual coal usage increase will be smaller - implying fewer plant operating hours in the future. There could also be other reasons and combinations of the above. It is important to understand the basis of the numbers above since they will affect the BACT analysis in several ways:

(i) if the coal usage increase is incorrect (i.e. lower), since the emission factors are typically based on coal tons used the calculations may indicate that the increase in emissions due to the project are smaller than expected - this will affect the technology feasibility of BACT candidates; and the cost-effectiveness calculations since the number of tons reduced will be in error as well.

(ii) if both numbers are correct - i.e., for example there is increased combustion air temperature then BACT feasibility and effectiveness for candidates such as FGR may be affected

In addition there are values for steam hourly flow design which is inconsistent with the maximum heat input and the change in generation which is different from all of the above (but explainably so) that you may want to clarify.

2. Pertaining to the amount of NOx reduction expected from changes in software and controls - does IPSC have a vendor identified for this work or do they have more detail than what is in the NOI regarding this?

We will appreciate receiving your responses early.

Pl. call me at (626) 440-6043 if you have any questions.

Regards

Krishna Nand